

**SELECT COMMITTEE ON EFFICIENCY IN GOVERNMENT**  
***LCSC02: Outcomes Measurement for Children's Mental Health Services***

Prepared by Sue O'Connell  
April 2012

**SCEG**  
**MAY 15, 2012**  
**EXHIBIT 2**

**Background**

The Select Committee on Efficiency in Government authorized the drafting of a bill directing the Department of Public Health and Human Services (DPHHS) to measure and report on the effectiveness of children's mental health services.

**Reason for the Recommendation**

Stakeholders said Medicaid payments for mental health services should be based on whether the treatment leads to better outcomes for patients, rather than solely on the type and amount of services provided. They suggested that DPHHS be required to measure outcomes for mental health services, beginning with services provided by the Children's Mental Health Bureau.

**Cost Considerations**

The bill draft may result in additional data collection and analysis requirements for DPHHS. It also will require publication of an annual report.

**Data collection and analysis for outcome measures:** Stakeholders believe the department already collects much of the data necessary to measure outcomes. For example, DPHHS is required by 52-2-311, MCA, to collect statistics and report on the placement of some children receiving mental health services — those high-risk children with multi-agency service needs. DPHHS also has chosen a tool for measuring the strengths and the intensity of the needs of youth receiving services and their families. This tool, the Child and Adolescent Needs and Strengths assessment (CANS), was discussed at the March meeting of the Select Committee on Efficiency in Government.

Because some elements for measurement of outcomes may already be in place, identifying the costs that DPHHS may estimate for data collection and analysis is difficult.

**Report on identified outcomes:** The bill draft requires DPHHS to publish and distribute to providers an annual written report on its measurement of the identified outcomes and to specify the results for each provider of children's mental health services.

Costs for the report could be range from a few hundred dollars to \$1,000 or more, depending on the number of pages, the format, and the number of copies printed. A review of selected DPHHS publications in recent years shows the following range of costs:

- \$393.90 for 100 copies of the 20-page *Montana Heart Disease and Stroke Prevention State Plan 2011-2015*, printed in color;
- \$530 for 500 copies of the 64-page black-and-white *Guide to the Department of Public Health and Human Services*, published in a smaller format in 2006; and
- \$6,070 for 5,000 copies of the 51-page *Montana Tobacco Use Prevention Plan*, published in color in 2005.

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\*\*\*\* Bill No. \*\*\*\*

Introduced By \*\*\*\*\*

By Request of the \*\*\*\*\*

A Bill for an Act entitled: "An Act requiring the department of public health and human services to measure the outcomes of children's mental health services; requiring reporting of the outcomes; and providing an immediate effective date."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION.    **Section 1. Department to measure outcomes for children's mental health services.** (1) The department of public health and human services shall measure and report on, as provided in 52-2-311, the effectiveness of medicaid mental health services provided to children. The measurement must be based on identified outcomes.

(2) In measuring outcomes, the department shall:

(a) use validated tools to assess and measure the fidelity of medicaid children's mental health services to a wraparound philosophy of care as defined in 52-2-302;

(b) use validated measures to:

(i) evaluate the acuity of a child's mental health needs;

(ii) assess family functioning and the strengths and weaknesses of family skills; and

(iii) measure the improvements a child and the child's family are making in the areas of acuity of need, family

functioning, and family skills and the relationship of the improvements to the treatment provided; and

(c) track a child's placement in services in order to create incentives for providing community-based treatment and reduce the use of out-of-state services, psychiatric residential treatment facility services, and placement in group homes.

**Section 2.** Section 52-2-311, MCA, is amended to read:

**"52-2-311. ~~Out-of-state placement monitoring~~ Monitoring and reporting.** (1) The department shall collect the following information regarding high-risk children with multiagency service needs:

- (a) the number of children placed out of state;
- (b) the reasons each child was placed out of state;
- (c) the costs for each child placed out of state;
- (d) the process used to avoid out-of-state placements; and
- (e) the number of in-state providers participating in the pool.

(2) For high-risk children with multiagency service needs whose placement is funded in whole or in part by medicaid, the report must include information indicating other department programs with which the child is involved.

(3) On an ongoing basis, the department shall attempt to reduce out-of-state placements.

(4) The department shall report on the measurement of identified outcomes for medicaid mental health services provided to children that is required under [section 1]. The report shall

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identify the outcomes for each provider of services.

~~(4)~~ (5) (a) The department shall report biannually to the children, families, health, and human services interim committee concerning the information it has collected under this section and the results of the efforts it has made to reduce out-of-state placements.

(b) The department shall annually prepare and publish a written report containing the results of the measurement of identified outcomes and shall distribute the report to providers of medicaid mental health services for children."

{ Internal References to 52-2-311: None. }

NEW SECTION. Section 3. {standard} Effective date. [This act] is effective on passage and approval.

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